

CHOHUNG BANK



March 11, 2003

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**NOTICE
OF
ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

82-4506
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I, being a duly authorized officer of Chohung Bank, hereby notify the resolution of the Board Meeting held on March 11, 2003, regarding the Annual General Meeting of Shareholders for the 2002 fiscal year.

Meeting Details	The Annual General Meeting of Shareholders for the 2002 fiscal year will be held at the Chohung Bank Head Office, 3 rd Floor, at 10:00 a.m. Friday March 28 th , 2003 (local time)
Meeting Agenda	<ol style="list-style-type: none">1. Approval of the Bank's financial statements for 2002 and the proposed appropriation of retained earnings/losses(no dividend).2. Approval of the proposed changes to the Articles of Incorporation.3. Appointment of members of the Board of Directors.4. Appointment of members of the Standing Auditor5. Grant of Stock Option6. Approval of the proposed changes to internal regulation
Dividend	None

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Note to Agenda

Agenda Item 1

Please find financial statements for 2002 fiscal year attached to this documents.

※ The Bank's financial statements for the year ended December 31st, 2002, are open for inspection at website. (www.chb.co.kr).

Agenda Item 2

The summary of the changes is as follows ;

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	Existing	Amended
Article 11 Stock Option Program	<p>⑦ The Board of Directors may adopt a resolution to cancel options offered to an officer or an employee of the Bank, if he</p> <ol style="list-style-type: none"> 1.Retires or resigns at discretion 2.Causes critical damage to the Bank willfully or negligently, or 3.Is subject to such cancellation as set forth in the agreement on option to purchase with the Bank. 	<p>⑦ The board of directors may adopt a resolution to cancel options offered to an officer or an employee of the Bank, if he</p> <ol style="list-style-type: none"> 1.Retires or resigns at discretion 2.Causes critical damage to the Bank willfully or negligently, or 3.Is subject to such cancellation as set forth in the agreement on option to purchase with the Bank. <p><u>4.receives recommendation to be dismissed from a supervisory institution, or is dismissed according to a disciplinary request.</u></p>
Article 30 Terms of Directors	<p>②The term of office referred above may be extended until the closing date of the Ordinary General Meeting of Shareholders convened in respect of the last fiscal year during the term in office.</p>	<p>②The term of office referred above may be extended (or shortened) until the closing date of the Ordinary General Meeting of Shareholders convened in respect of the last fiscal year during the term in office.</p>
Article 31 Change of the Appointment Process of Director	<p>①Standing directors shall be nominated by the Board of Directors through the recommendation of the President and Chief Executive Officer of the Bank and appointed at the General Meeting of Shareholders; provided, however , that candidates for the President and Chief Executive officer of the Bank and the standing auditors shall consist of all the Non-Standing Directors and appointed at the General Meeting of Shareholders through the recommendation of a Candidates Recommendation Committee which passes a resolution with the approval of more than two third of registered committee members.</p>	<p><u>①Standing Directors shall be appointed at the General Meeting of Shareholders.</u></p>

	Existing	Amended
	②Non-Standing Directors shall be nominated by the board of directors and appointed at the General Meetings of Shareholders.	<u>②Non-Standing Directors shall be recommended by Non-Standing Director Recommendation Committee and appointed at the General Meetings of Shareholders.</u>
Article 34 Appointment and Duties of Executive Director	①The Bank shall appoint one representative director, who becomes the President and Chief Executive Officer of the Bank, and a few Director and Deputy President and Director and Executive Vice President with the resolution by the Board of Directors. If the President and Chief Executive Officer cannot carry out his duties, one Standing Director may be appointed as representative director, who also executes duties of the President and Chief Executive Officer of the Bank.	<p><u>①One Representative Director, who concurrently serves as the President and Chief Executive Officer, and several Director and Deputy Presidents shall be elected among the Standing Directors by the resolution of the Board of Directors. The President and Chief Executive Officer shall be elected through the recommendation by the Candidates Recommendation Committee.</u></p> <p><u>②-④ Unchanged</u></p> <p><u>⑥The Candidates Recommendation Committee in ① shall consist of Non-Standing Auditors, a person recommended by the representative of shareholders, and other experts. The details of structure and operations shall be determined by the Board of Directors.</u></p>
Article 40 Committee	-	<u>5.Non-Standing Director Recommendation Committee</u>

	Existing	Amended
Article 41 Executive Committee	② Among power of the Board of Directors as set forth in commercial law appointment and dismissal of managers, establishment, move and abolition of its branches shall be executed by the Executive Committee, while establishment and abolition of its overseas branches by the board of directors.	② Among power of the Board of Directors as set forth in commercial law appointment and dismissal of managers, <u>opening and closing of the branches shall be executed by the Executive Committee, while relocation of branches shall be executed by President & CEO. Opening and closing of the overseas offices shall be executed by the Board of Directors.</u>

Agenda Item 3

Non-Standing Directors shall be elected at the AGM. The candidates are as follows ;

Name	Age	Position outside the Bank
Wan Young Yu	58	President & CEO, Orion Electronic Co.
Jeong-Myung Lee	60	Advisor, Yonhap News Agency
Jin-Soon Lee	52	Professor, Soong-Sil Univ.
Woo-Jin Kim	38	Researcher, Korea Institute of Finance
David J. Behling	63	Senior Consultant, Bank One

Agenda Item 4

The members of Audit Committee(also Non-Standing Directors) shall be elected at the AGM.

The candidates are as follows ;

Name	Age	Position outside the Bank
Jong Hyuk Kim	60	Professor, SungKyunKwan Univ.
Chang Seong Jang	47	Head of Planning and Coordination, Korea Deposit Insurance Company

Agenda Item 5

Details of grant of stock option are as follows;

Type of Share	Common Share
Total Number of Shares	312,000
Qualified Officer	Chairman of the Board of Directors, President and CEO, Standing Auditor, Director, Head of Group
Exercising Price	KRW 5,000
Exercising Period	March 29, 2005 ~ March 28, 2008

Should you have any questions, please contact Mr. Gonhahk Lee at 822-2010-2490 during office hours.

By : _____

Hee-Sung Park

Head of Investor Relations Dept.

Non-Consolidated Balance Sheets (Bank Accounts)

December 31, 2002 and 2001

	Millions of Korean Won		Thousands of U.S.Dollars
	2001	2002	2002
Assets			
Cash and due from banks	2,037,861	2,698,816	2,248,264
Trading securities	1,236,926	990,179	824,874
Investment securities	12,839,355	10,082,398	8,399,199
Loans	34,443,040	45,328,520	37,761,179
Fixed assets	1,565,775	1,415,312	1,179,034
Other assets	3,903,339	5,681,063	4,732,641
Total Assets	56,026,296	66,196,288	55,145,191
Liabilities and Shareholders' Equity			
<i>Liabilities</i>			
Deposits	38,922,144	45,125,839	37,592,335
Borrowings	7,429,731	6,843,721	5,701,201
Debentures	2,419,676	5,672,349	4,725,382
Other liabilities	4,718,923	6,262,081	5,216,662
Total Liabilities	53,490,474	63,903,990	53,235,580
<i>Shareholders' Equity</i>			
Capital stock	3,395,391	3,395,592	2,828,717
Capital surplus	-	-	-
Other reserve	9,145	10,619	8,846
Accumulated deficit	(388,792)	(931,362)	(775,877)
Capital adjustments	(479,922)	(182,551)	(152,075)
Total Shareholders' Equity	2,535,822	2,292,298	1,909,611
Total Liabilities and Shareholders' Equity	56,026,296	66,196,288	55,145,191

Non-Consolidated Statements of Income (Bank Accounts)

For the year ended December 31, 2002 and 2001

	Millions of Korean Won	Thousands of U.S.Dollars
	2001	2002
Interest Income and Dividends:		
Interest on due from banks	56,843	22,023
Interest on dividend on trading securities	69,240	72,172
Interest on dividend on investment securit	872,714	687,155
Interest on loans	2,867,906	3,031,095
Other	95,804	37,404
Total Interest Income and Dividends	3,962,507	3,849,849
Interest Expenses:		
Interest on deposits	1,680,584	1,508,118
Interest on borrowings	409,053	254,333
Interest on debentures	204,137	264,338
Other	50,365	79,382
Total Interest Expenses	2,344,139	2,106,171
Net Interest Income	1,618,368	1,743,678
Provision for Possible Loan losses	751,295	1,542,948
Net Interest Income(Loss) after		
Provision for Loan Losses	867,073	200,730
Non-Interest Income:		
Fees and commissions	532,484	763,691
Gain on sale of trading securities	85,051	24,201
Gain on valuation of trading securities	3,657	5,856
Gain on foreign currency trading	202,946	145,089
Gain on derivatives trading	273,379	440,856
Fees and commissions from trust accounts	64,238	49,012
Other	321,286	178,186
Total Non-Interest Income	1,483,041	1,606,891
Non-Interest Expenses:		
Commissions	108,156	166,603
General and administrative expenses	712,739	856,328
Loss on foreign currency trading	111,570	104,270
Loss on derivatives trading	259,668	398,694
Contribution to credit guarantee fund	36,639	45,249
Loss on sale of loans	380,757	16,641
Loss on sale of trading securities	41,089	5,590
Loss on valuation of trading securities	1,915	150
Payments to guaranteed return trust accou	20,946	57,675
Other	340,210	767,581
Total Non-Interest Expenses	2,013,689	2,418,781
Ordinary Income (Loss)	336,425	(611,160)
Extraordinary Gain	-	-
Income(Loss) before Income Taxes	336,425	(509,130)
Income Taxes	(186,106)	(20,922)
Net Income	522,531	(488,208)